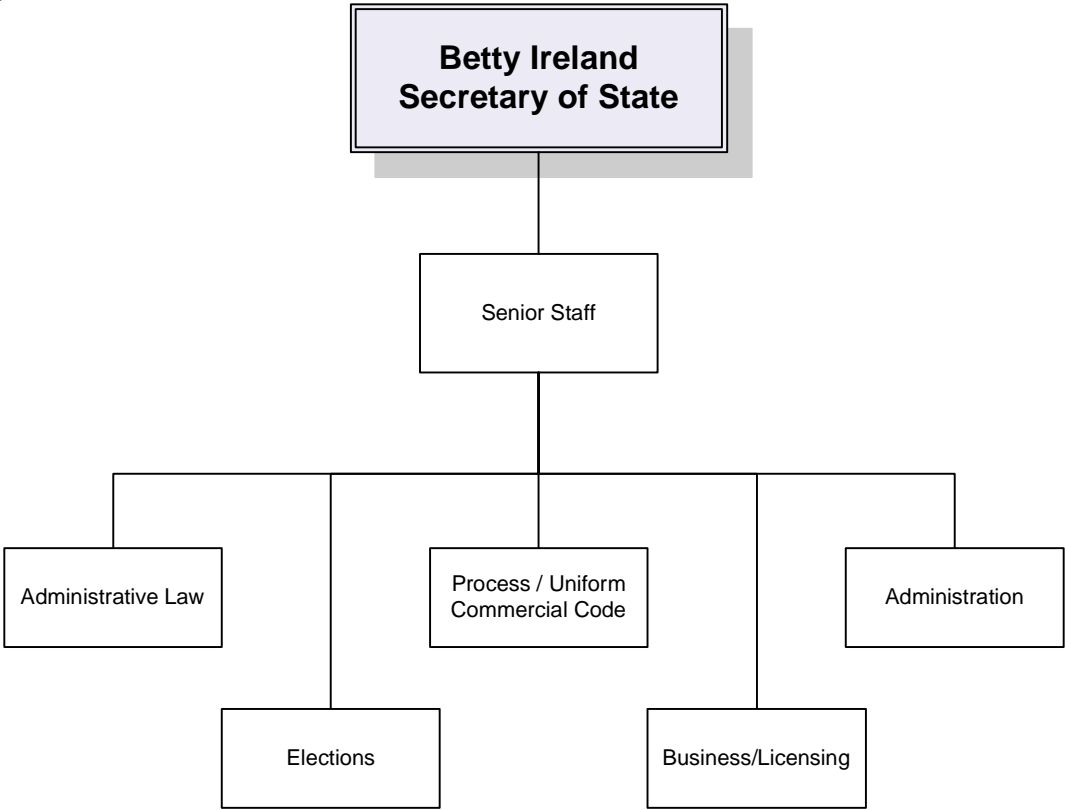


Secretary of State's Office

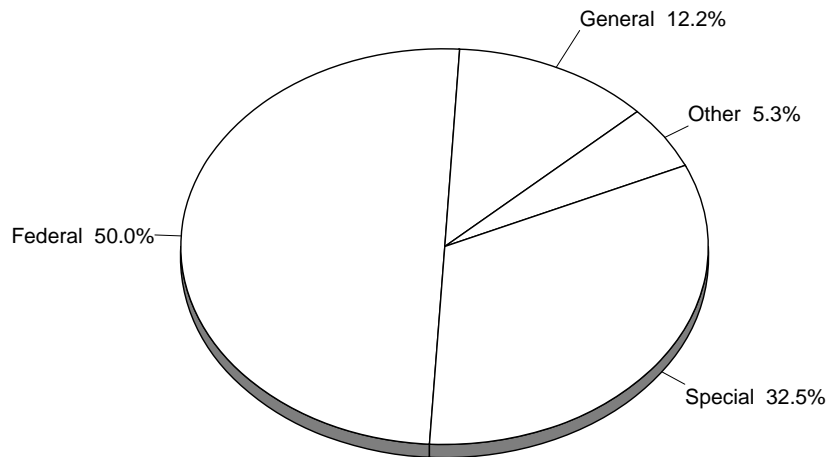


Secretary of State's Office

Revenues and Expenditures

Total Available Funds

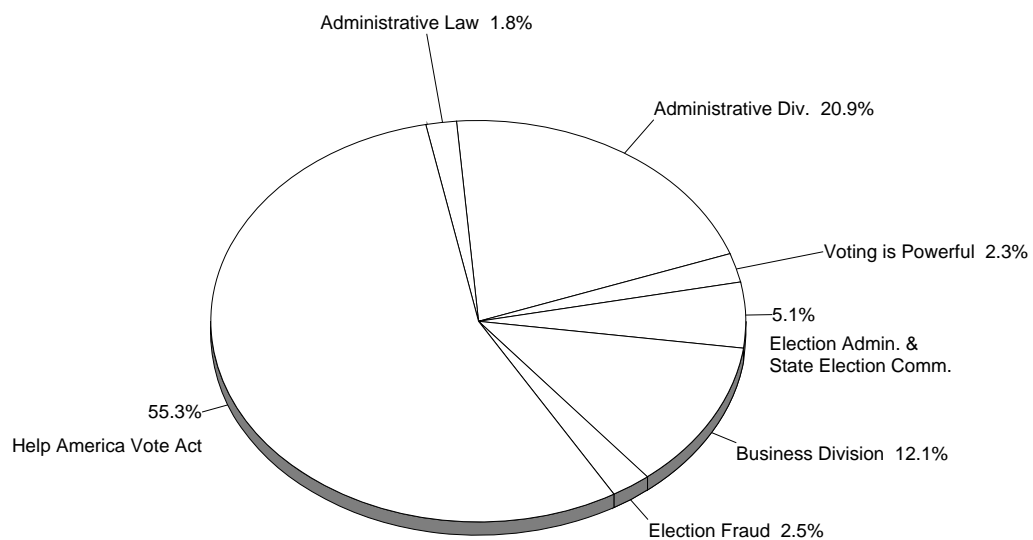
Fiscal Year 2007
\$9,235,080*
(Estimated)



*Beginning balance plus revenues

Recommended Expenditures by Division

Fiscal Year 2007
\$8,708,485



Secretary of State's Office

Mission

The Office of the West Virginia Secretary of State strives to ensure that West Virginia citizens are able to participate in clean and fair elections conducted in compliance with the Help America Vote Act; have access to excellent voter education, thereby increasing voter registration and turnout; and have access to efficient business registration and licensing, as mandated as part of the statutory duties of the Secretary of State's Office.

Goals/Objectives

- Accomplish timely, efficient, and fair compliance with the Help America Vote Act.
- Fight election fraud on all levels.
- Increase the high-level use of technology in order to make the office more user-friendly and efficient for business.
- Have an efficient, well-trained, and contented work force that delivers excellent customer service.
- Seek out and utilize best practices from other states to increase voter education, voter registration, and voter turnout.
- Effectively execute the statutory duties of the Secretary of State's office.

Expenditures

	TOTAL FTE POSITIONS 11/30/2005	ACTUALS FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDATION
EXPENDITURE BY PROGRAM					
Administrative Division	17.00	\$770,730	\$1,648,222	\$1,767,989	
Business Division - Business & Licensing	11.00	513,498	690,430	696,659	
Business Division - Service of Process & Uniform Commercial Code	8.00	322,888	300,000	351,934	
Public Division - Administrative Law	3.00	143,040	157,236	155,784	
Public Division - Election Administration*	5.00	1,487,785	2,818,288	435,593	
Public Division - Help America Vote Act	3.00	392,056	15,300,000	4,819,616	
Public Division - State Election Commission	0.00	7,975	10,275	10,275	
Public Division - Voting is Powerful	4.00	276,992	262,363	203,897	
Public Division - Election Fraud Unit	5.00	95,000	250,000	214,022	
Less: Reappropriated		(196,266)	(3,062,635)	0	
TOTAL BY PROGRAM	56.00	3,813,698	18,374,179	8,655,769	8,708,485
EXPENDITURE BY FUND					
General Fund					
FTE Positions		27.00	23.30	23.30	23.30
Total Personal Services		680,149	702,755	689,375	709,445
Employee Benefits		230,288	236,436	236,436	236,436
Other Expenses		257,069	2,439,464	176,829	176,829
Less: Reappropriated		(196,266)	(2,262,635)	0	0
Subtotal: General Fund		971,240	1,116,020	1,102,640	1,122,710
Federal Fund					
FTE Positions		0.00	2.70	1.50	1.50
Total Personal Services		28,948	91,530	70,000	71,530
Employee Benefits		10,817	35,278	28,030	28,308
Other Expenses		352,291	14,375,000	4,721,586	4,721,586
Subtotal: Federal Fund		392,056	14,501,808	4,819,616	4,821,424
Appropriated Special Fund					
FTE Positions		29.00	29.00	29.00	29.00
Total Personal Services		776,042	1,086,900	1,060,800	1,086,900
Employee Benefits		232,776	312,645	307,907	312,645
Other Expenses		1,234,332	1,935,306	1,135,306	1,135,306
Less: Reappropriated		0	(800,000)	0	0
Subtotal: Appropriated Special Fund		2,243,150	2,534,851	2,504,013	2,534,851
Nonappropriated Special Fund					
FTE Positions		0.00	1.00	1.00	1.00
Total Personal Services		0	35,000	35,000	35,000
Employee Benefits		0	15,000	15,000	15,000
Other Expenses		207,252	171,500	179,500	179,500
Subtotal: Nonappropriated Special Fund		207,252	221,500	229,500	229,500
TOTAL FTE POSITIONS BY FUND	56.00	56.00	54.80	54.80	
TOTAL EXPENDITURES BY FUND		\$3,813,698	\$18,374,179	\$8,655,769	\$8,708,485

* Includes General Revenue funding for the 2005 Pension Bond Amendment cost.

Secretary of State's Office
Administrative Division

Mission

The administrative and senior staff provide support and planning for personnel and all operations of the Secretary of State's Office.

Operations

- Supports the Secretary of State regarding daily functions, planning, and carrying out of duties.
- Provides support on information technology functions and Web site.
- Provides administrative support to Board of Public Works.
- Plans, prepares, and implements annual budget for the Secretary of State and the State Election Commission.
- Performs all purchasing, payroll, and accounting functions.
- Manages revenue transactions, prepaid accounts, and refunds.
- Manages hiring, policy, staff development, and personnel matters.
- Coordinates legal and contractual services.
- Coordinates reception and publication of information and forms.
- Coordinates special projects as it relates to the Secretary of State's Office.
- Receives, indexes, and files executive orders, proclamations, appointments, bonds, extraditions, and other official documents of the Governor.
- Receives original legislative acts, and provides certified copies.
- Prepares the *Executive Journal*.
- Manages imaging and records archives.
- Maintains supplies and equipment inventory.
- Provides media and public relations services for the office.

Goals/Objectives

- Submit appropriation and expenditure schedules to the State Budget Office by established deadlines.
- Execute responsible budgetary management.
- Have administrative staff that provides a high level of customer service to West Virginia citizens.
- Provide staff sufficient support, materials, and training for them to perform day-to-day duties of the office.
- Continue to increase the use of technology.

Performance Measures

- ✓ Submitted appropriation and expenditure schedules on time.
- ✓ Received positive feedback from customers on the professionalism of the staff.
- ✓ Increased the use of technology by implementing wireless Internet access, increased use of e-mail, updating of on-line databases, and continued upgrades to Web site appearance and functionality.

Secretary of State's Office

Public Division

Mission

The Public Division provides voting and election compliance for the benefit of West Virginia citizens, as well as compliance for the Administrative Procedures Act.

Operations

The Public Division is composed of departments that primarily work directly with West Virginia citizens providing efficient and timely services to the public.

- * Administrative Law
- * Election Administration
- * Help America Vote Act (HAVA)
- * State Election Commission
- * Voting is Powerful (VIP)
- * Election Fraud Unit

Programs

Administrative Law

Mission

Administrative Law serves as the official filing and information office for all rules and other information required under the Administrative Procedures Act, assisting agencies with the act and providing convenient access of filed information to the public.

Goals/Objectives

- Continue to provide (as a result of appropriated funding), free access to all on-line information, including the Code of State Rules.
- Effectively manage the increase of electronic correspondence resulting from free on-line service with no addition to staff with response within 24-hours.
- Effectively manage a record number of new filings and publish in the State Register, Code of State Rules and Index
- Provide all agency approved and modified rules on the Internet by 2006.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Decrease in revenue due to on-line services	(9%)	(1%)	(5%)	(13%)	(5%)	(5%)
Responses to requests (phone, paper, e-mail)	1,900	2,300	2,500	3,000	2,800	2,850
New rules filed	215	232	245	329	250	300

Election Administration

Mission

The Election Administration serves West Virginia citizens by facilitating extensive voter registration opportunities; organizing, directing, and supervising elections; providing consistent, accessible, and official candidate filing procedures; and managing election law education for election officials, candidates, and the public.

Goals/Objectives

- Serve as part of the team to effectively implement HAVA.
- Administer the networked, statewide voter registration system implemented under HAVA of 2002.
- Provide a program to manage the increased number of registered voters due to the enactment and continued implementation of the National Voter Registration Act of 1993 by 2007.
- Provide an updated program by 2007 to efficiently manage the increased number of potential candidates filing for offices and campaign finance reports.
- Continually develop and enhance new procedures to effectively manage and respond to the ever-increasing number of inquiries via telephone, fax, personal appearance e-mail, and regular mail.
- Propose legislative initiatives to improve election procedures.
- Improve training for election officials.
- Improve correspondence and instruction to candidates regarding filing for office and campaign finance reporting requirements.
- Administer, maintain, and improve the on-line campaign finance filing for statewide, legislative, and multicounty candidates.

*Secretary of State's Office
Public Division Programs*

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Voter registrations received	33,767	36,194	50,000	48,848	50,000	45,000
Candidates filing for office	N/A	813	N/A	N/A	400	N/A
Election inquiries	8,750	9,325	9,500	12,500	9,600	10,000
Training seminars conducted for election officials	3	3	1	6	5	2
Election materials mailed	N/A	N/A	N/A	4,125	5,725	4,125

Help America Vote Act

Mission

This program implements the federal Help America Vote Act of 2002 and provides future guidance and support for the public regarding this act.

Goals/Objectives

- Accomplish the objectives of West Virginia's HAVA plan by federal deadlines.
- Implement by May 2006 voting systems standards designed to inform voters of voting procedures during voting.
- Facilitate new training programs by May 2006 for voters, poll workers, and local voting officials.
- Provide grant funding by May 2006 to 25 counties to assist in improving access to voting precincts.
- Provide an increased level of support to each county for the statewide voter registration system by 2006.
- Provide by 2006 upgraded voting equipment for each county.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Statewide voter registration support calls	N/A	N/A	N/A	780	850	800
Counties receiving voting system upgrades	N/A	N/A	N/A	N/A	55	3
Counties that received HAVA grants for polling place upgrades	N/A	3	N/A	3	10	5

State Election Commission

Mission

The State Election Commission shall have the power and duty to approve or disapprove applications for approval of any voting machine. The commission shall serve as advisor to the Secretary of State and shall prepare and distribute nonpartisan educational materials to inform voters of election laws and procedures.

Goals/Objectives

- Review and approve new electronic voting systems in accordance to state law.
- Conduct hearings on alleged violations of the code of fair campaign practices and other campaign finance issues.
- Support the funding of training and instructional materials, investigation of election practices in other states, and other projects to improve the election process.

*Secretary of State's Office
Public Division Programs*

Performance Measures

<u>Fiscal Year</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimated 2005</u>	<u>Actual 2005</u>	<u>Estimated 2006</u>	<u>Estimated 2007</u>
Commission meetings	N/A	N/A	4	4	6	4
Electronic voting systems evaluated	N/A	N/A	8	4	3	2
Electronic voting systems approved	N/A	N/A	N/A	4	3	2

Voting Is Powerful (VIP)

Mission

The VIP program promotes voter registration and voter education for all generations.

Goals/Objectives

- Provide 350 voter registration opportunities per year by FY 2008, including registration opportunities at school visits.
- Establish two sustainable voter education/public awareness initiatives by the end of 2007.
- Visit 275 election officials per year by FY 2007 to assist and inform them of new voting procedures, acting as liaisons between the community, election officials, and the Secretary of State's office.
- Visit 100% of the high schools in West Virginia by 2007 to communicate the importance of voting, educating students on the election process, and conducting voter registration drives in conjunction with the county clerks.
- Visit 75 senior citizen organizations per year by the end of FY 2007 to educate senior citizens on voting procedures and the election process, as well as to offer senior citizens a chance to register to vote.

Performance Measures

<u>Fiscal Year</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimated 2005</u>	<u>Actual 2005*</u>	<u>Estimated 2006</u>	<u>Estimated 2007</u>
Voting registration opportunities	N/A	N/A	N/A	135	270	310
Voter education initiatives	N/A	N/A	N/A	N/A	1	2
Visits to election officials	N/A	N/A	N/A	125	250	275
School visitations	N/A	N/A	N/A	80	160	160
Visits to senior citizen organizations	N/A	N/A	N/A	30	60	75

* Data is for only half of the fiscal year as this is a new program.

Election Fraud Unit

Mission

To investigate all complaints of election fraud within the State of West Virginia in a professional and thorough manner, and to educate the citizens of this state on how to detect and report election fraud.

Goals/Objectives

- Conduct informational and educational meetings in a minimum of ten counties every three months to increase public awareness, understanding, and participation in the detection of election fraud.
- Decrease the occurrence of election fraud within West Virginia through effective documentation, investigation, and prosecution of reported and discovered election fraud.

*Secretary of State's Office
Public Division Programs*

- Conduct educational seminars for political candidates to ensure that they fully understand about election fraud.
- Decrease voter apathy through the promotion of clean and fair elections by conducting thorough investigations into allegations of election fraud.
- Conduct informational meetings with officials from all counties and most larger cities to enlist assistance in the investigation of election fraud, thereby increasing the effectiveness of the investigation unit.

Performance Measures

<u>Calendar Year</u>	<u>Actual</u> <u>2003</u>	<u>Estimated</u> <u>2004</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005*</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Total complaints	N/A	N/A	N/A	72	288	432
Administrative complaints**	N/A	N/A	N/A	58	100	150
Investigations conducted ***	N/A	N/A	N/A	14	188	282

* The election fraud investigation unit has only been in existence since April 2005, and these complaints have been received since the implementation of the Election Fraud Unit.

** These are election fraud complaints considered to be invalid or could be dealt with through administrative measures by the legal counsel.

*** These are complaints requiring a detailed investigation and the submission of an investigative report.

Secretary of State's Office
Business Division

Mission

The Business Division serves the business, legal, banking, and consumer communities through an array of services that secure the legal status of various types of businesses, trade names, and trademarks; and provides a permanent archival record of business filings for public access.

Operations

Business Area

- Assists citizens in the process of starting various types of businesses, including corporations, limited liability companies, limited partnership, and voluntary associations.
- Authorizes out-of-state companies to conduct business in West Virginia.
- Provides certificate of existences and certified copies of businesses that are on file in the office of Secretary of State.
- Registers charitable organizations and professional fund-raisers to protect West Virginia citizens by requiring full public disclosure by persons and organizations soliciting funds from the public.

Licensing Area

- Responsible for licensing of private investigators, security guards, athlete agents, and persons who perform marriages, making sure that every qualification requirement mandated in the West Virginia Code is met.
- Issues notary public commissions to qualified individuals, and maintains those records.
- Reviews complaints received on notaries and notarizations.

Service of Process

- The Secretary of State is the constitutive attorney-in-fact for all corporations with operations in the state, processing legal documents involving corporations.
- Service of Process processes legal documents involving corporations within and outside the State of West Virginia.

Uniform Commercial Code

- Uniform Commercial Code registers liens filed by a lender when a borrower takes out a loan using in-state commercial or farm property or consumer goods as collateral.

Secretary of State's Office
Business Division
Programs

Business and Licensing

Mission

The Business and Licensing division serves the business and consumer communities through a variety of efficient and professional services that secure the legal status of various types of businesses, trade names, and trademarks; register charitable organizations and professional fund-raisers; license private investigators, security guards, athlete agents, persons who perform marriages, and commission notary publics.

Goals/Objectives

Business Section

- Make available additional on-line filings to the general public such as trade names, amendments, terminations and officer changes. (Currently, the only available on-line filings are new registrations of limited liability companies [LLC] and corporations, as well as annual report filings for limited liability companies.
- Network with other state agencies to provide an exchange of information that could be used throughout the other agencies.
- Create and upgrade computer programs and software during FY 2007.
 - * Upgrade the Business and Licensing database to provide a more user-friendly, searchable database that the general public can access.
 - * Upgrade the annual report renewal program.
- Continue to process charitable registration in a 24-hour turnaround time and to pursue fines and settlements when necessary.
- Provide additional information on the charities on-line database to ensure the public has as much information as possible when determining to what charities they would like to donate money. (This will be completed on a daily basis by extracting specific financial information from the charities' initial registration and renewal applications.)

Licensing Section

- Submit legislation in 2006 to clarify specific sections of the West Virginia Code regarding private investigators and security guards.
- Continue to process registrations in a timely and efficient manner.
- Submit legislation in 2006 to clean up the 2001 legislation relating to people who perform marriages.

Performance Measures

<u>Fiscal Year</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimated 2005</u>	<u>Actual 2005</u>	<u>Estimated 2006</u>	<u>Estimated 2007</u>
Fines and settlements*	\$36,740	\$33,105	\$30,000	\$34,020	\$30,000	\$30,000
Revenue from charity registrations	\$77,950	\$83,415	\$75,000	\$75,425	\$85,000	\$80,000
All corporate filings**	3,818	4,711	4,500	3,908	4,800	4,200
Revenue generated from LLC filings	\$401,048	\$515,646	\$475,000	\$527,647	\$635,000	\$650,000
LLC reports filed on-line	N/A	N/A	N/A	1,873	3,000	5,000
On-line filings from new businesses	N/A	1	N/A	967	1,250	1,500
New registrations of:						
Private investigators and security guards	34	32	45	50	40	55
Athlete agents	22	29	4	27	40	50
Persons authorized to perform marriages	792	788	820	802	800	850
Revenue from notary applications	\$207,588	\$209,931	\$220,000	\$207,602	\$210,000	\$210,000
Revenue from processing notary changes	\$1,657	\$1,980	\$2,000	\$1,472	\$1,000	\$1,500

* Settlement agreements with organizations found to be soliciting without registration

** Due to LLC's becoming the first choice of entities for new business owners, the number of business owners forming corporations is expected to decrease in FY 2007.

Service of Process

Mission

Service of Process processes legal documents involving domestic (formed in West Virginia) and foreign organizations (formed outside of West Virginia).

Goals/Objectives

- Reconcile the number of insurance companies and their principal office address and name and address of registered agent that are maintained in the Secretary of State's Office database to what is on file with the Insurance Commissioner. (This is an ongoing process achieved by a monthly exchange of data between the Secretary of State's Office and the Insurance Commissioner, as well as obtaining address and agent updates directly from the insurance companies.)
- Maintain a 24-hour turnaround time on processing any legal notices (primarily summons and complaints), as well as any changes in officers, business addresses, or registered agents.

Performance Measures

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Process cases received	11,831	13,092	12,000	7,285	14,000	14,250

Uniform Commercial Code

Mission

Uniform Commercial Code registers liens filed by a lender when a borrower takes out a loan using in-state commercial or farm property or consumer goods as collateral.

Goals/Objectives

- Start a new automatic expiration system on lapsed filings.
- Introduce lien searches on the Internet.
- Begin the electronic filing of liens.
- Continue work on the bulk sale of the uniform commercial code data.

Performance Measures

- ✓ Made changes to the uniform commercial code database to provide options on what searches show, such as terminated or lapsed filings.

<u>Fiscal Year</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Estimated</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Estimated</u> <u>2006</u>	<u>Estimated</u> <u>2007</u>
Uniform commercial code filings	22,964	23,607	30,000	23,312	31,000	32,000
Uniform commercial code searches	4,892	4,977	6,000	5,056	6,000	6,000